Industry Canada Industrie Canada

2011–12 Estimates

Report on Plans and Priorities

Industry Canada

Minister of Industry and
Minister of State (Agriculture)

Canada

How to read this report

This Report on Plans and Priorities (RPP) presents Industry Canada's 2011–12 plans for making progress toward its strategic outcomes through its program activities. The report contains an introductory message from the Minister, which summarizes the Department's plans for serving Canadians and for contributing to government-wide objectives, followed by the four sections detailed below.

Section 1, Departmental Overview, contains the following:

- information on Industry Canada's raison d'être and responsibilities;
- a quick view of Industry Canada's framework of program activities and subactivities, which feed into and contribute to progress toward the Department's three strategic outcomes;
- a summary of Industry Canada's total financial and human resources;
- a summary of departmental plans at the program activity level, including planned spending, performance indicators and targets;
- a discussion of the Department's operational and management priorities, including their links to the Department's strategic outcomes;
- contextual information and a risk analysis explaining the effects of internal and external factors on the Department's plans and priorities;
- the Department's expenditure profile; and
- a link to the 2011–12 Main Estimates on the Treasury Board of Canada Secretariat (TBS) website where the Department's voted and statutory items may be found.

Section 2, Analysis of Program Activities by Strategic Outcome, provides detailed information on Industry Canada's plans at the program activity level and by strategic outcome, including planned spending and human resources, expected results, performance indicators and targets.

Section 3, Supplementary Information, includes highlights of Industry Canada's financial position and provides a link to its future-oriented financial statements on the departmental website. This section also itemizes the Department's supplementary information tables, which are available on the TBS website.

Section 4, Other Items of Interest, provides links to Industry Canada's website, where information on the following may be found: information management and information technology at Industry Canada, titles and descriptions of Industry Canada's program activities, expected results at the program subactivity level and the Department's sustainable development activities.

In 2010–11, Industry Canada underwent a strategic review of its program expenditures as part of the government's commitment to delivering programs and services that are efficient and effective, aligned with the priorities of Canadians and financially sustainable over the long term. Results of the strategic review were unavailable at the time this report was produced; however, an overview of the results is included in Budget 2011. Industry Canada's 2011–12 Departmental Performance Report will elaborate on the results of the strategic review.

Due to rounding, figures may not add to the totals shown.

In our continuing effort to provide Canadians with online access to information and services, we are including web links to more information and highlights. These links are numbered and presented as endnotes.

We are committed to continuously improving our reporting and welcome your comments. Send comments by email to info@ic.gc.ca, by fax to 613-957-6543, or by mail to

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Minister's Message

As Canada's economy shows continued signs of growth following the global recession, the Harper government has a clear vision for Canada. We remain focused on creating jobs and economic growth in all regions of Canada. We remain committed to fighting protectionism, the number one impediment to global economic recovery. And we remain dedicated to supporting science, technology and innovation to improve the quality of life of Canadians.

In the coming year, Industry Canada and its Portfolio partners will seize the opportunities stemming from the evolving global economy. We will set the conditions for industrial success by improving policies we put in place, making strategic investments, and supporting business-focused programs and services. We are working to remove impediments to competition and to create the best climate for international investment. Industry Canada will lead efforts to develop major policy initiatives in support of Canada's digital economy and to shape a whole-of-government strategy for federal tourism activities. The Department will also improve the cost-effectiveness and efficiency of its own operations and will work with recovering industries and sectors to help ensure a solid and prosperous future.

And, as always, I will work with my colleagues, the private sector and other governments to create the fundamentals for a strong and competitive economy.

It is my pleasure to present this year's Report on Plans and Priorities for Industry Canada and its Portfolio partners.

Christian Paradis
Minister of Industry and Minister of State (Agriculture)

Section 1: Departmental Overview

1.1 Raison d'être and responsibilities

Mission

Industry Canada's mission[1] is to foster a growing, competitive, knowledge-based Canadian economy.

The Department works with Canadians throughout the economy, and in all parts of the country, to improve conditions for investment, improve Canada's innovation performance, increase Canada's share of global trade, and build an efficient and competitive marketplace.

Mandate

Industry Canada's mandate[2] is to help make Canadian industry more productive and competitive in the global economy, thus improving the economic and social well-being of Canadians.

The many and varied activities Industry Canada carries out to deliver on its mandate are organized around three interdependent and mutually reinforcing strategic outcomes. Each outcome is linked to a separate key strategy, as outlined below. The key strategies are shown in the adjacent figure.

The Canadian marketplace is efficient and competitive

Advancing the marketplace

Industry Canada fosters competitiveness by developing and administering economic framework policies that promote competition and innovation; support investment and entrepreneurial activity; and instill consumer, investor and business confidence.

Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy

Fostering the knowledge-based economy

Industry Canada invests in science and technology to generate knowledge and equip Canadians with the skills and training they need to compete and prosper in the global knowledge-based economy. These investments help ensure that discoveries and breakthroughs happen here in Canada and that Canadians can realize the social and economic benefits.

Canadian businesses and communities are competitive

Supporting business

Industry Canada encourages business innovation and productivity because businesses are the organizations that generate jobs and wealth creation. Promoting economic development in communities encourages the development of skills, ideas and opportunities across the country.

Under its founding legislation, the *Department of Industry Act*,[3] Industry Canada is mandated not only to foster a growing, competitive, knowledge-based Canadian economy but also to promote sustainable development.

Industry Canada works on a broad range of matters related to industry and technology, trade and commerce, science, consumer affairs, corporations and corporate securities, competition, trade measurement, bankruptcy and insolvency, intellectual property, investment, small business, and tourism. Industry Canada is the Government of Canada's centre of microeconomic policy expertise. The Department is composed of many organizational entities that have distinct mandates and diverse program activities, which are highly dependent on partnerships.

1.2 Contribution to the Federal Sustainable Development Strategy

Industry Canada is a participant in the Federal Sustainable Development Strategy (FSDS). The FSDS, with its inclusion of environmental sustainability and strategic environmental assessment as an integral part of government decision-making processes, represents a major step forward for the Government of Canada. Industry Canada's contributions to the FSDS are presented in sections 2, 3 and 4 of this report.

Complete details on Industry Canada's sustainable development activities are available on the Environment and Sustainability subsite[4] of the departmental website. Industry Canada's Greening Government Operations table, one of the supplementary information tables itemized in Section 3 of this report, is available on the Treasury Board of Canada Secretariat website.[5] For complete details on the FSDS, please see the Environment Canada website.[6]

The following icons, which correspond to the four environmental sustainability themes of the FSDS, will be used throughout this report to identify the departmental activities that support the FSDS.

Theme I: Addressing Climate Change and Air Quality

Theme II: Maintaining Water Quality and Availability

Theme III: Protecting Nature

Theme IV: Shrinking the Environmental Footprint – Beginning with Government

1.3 Program activity architecture

This Report on Plans and Priorities is aligned with Industry Canada's Management, Resources and Results Structure (MRRS). The MRRS provides a standard basis for reporting to parliamentarians and Canadians on the alignment of resources, program activities and results.

Industry Canada's Program Activity Architecture (PAA) is an inventory of all of its programs. The programs are depicted in a logical and hierarchical relationship to each other and to the strategic outcome to which they contribute. The PAA also provides a framework through which to clearly link financial and non-financial resources to each program activity.

2010–11 and 2011–12 PAA crosswalk

Over the past year, Industry Canada has made changes to its PAA to ensure that it remains a complete and accurate inventory of Industry Canada programs.

Strategic Outcomes

Industry Canada's strategic outcomes are long-term, enduring benefits to the lives of Canadians; reflect the Department's mandate and vision; and are linked to Government of Canada priorities and intended results. Two of Industry Canada's strategic outcomes have been updated in 2011–12: The strategic outcome "Science and technology, knowledge, and innovation are effective drivers of a strong Canadian economy" has been changed to "Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy" and the strategic outcome "Competitive businesses are drivers of sustainable wealth creation" has been changed to "Canadian businesses and communities are competitive." These changes were made to improve both measurability of the strategic outcomes and compliance with the MRRS instructions.

Removal of the Security and Prosperity Partnership program activity

The Security and Prosperity Partnership of North America — Canadian Secretariat program activity has been removed because its funding expires on March 31, 2011, and will not be renewed.

Transfer of programs to FedDev Ontario

A number of programs that were previously administered by Industry Canada have been transferred to FedDev Ontario. These include the Eastern Ontario Development Program, the Canada–Ontario Municipal Rural Infrastructure Program, the Ontario Municipal Rural Infrastructure Top-Up Program, the Ontario Potable Water Program, the Brantford Greenwich–Mohawk Remediation Project, the Canada Strategic Infrastructure Program and the Building Canada Program.

Streamlining of the structure

The structure of the PAA has been significantly streamlined in an effort to ensure its program activities and program subactivities appropriately reflect the programs and not the activities performed as part of a program. A result of this streamlining is that the 2011–12 PAA no longer contains any program sub-subactivities, thereby reducing the amount of overlap between the outcomes at different levels of the PAA. It also tells a more concise and clear performance story and reduces the repetition of performance data contained in the Performance Measurement Framework.

Changes to program titles and descriptions

A number of programs were renamed and a number of program descriptions modified to reflect program changes or improve compliance with the MRRS instructions.

Industry Canada's 2011–12 Program Activity Architecture

Strategic Outcomes

The Canadian marketplace is efficient and competitive	Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy	Canadian businesses and communities are competitive

Program Activities

Marketplace Frameworks and Regulations

Subactivities
- Measurement Canada
- Superintendent of Bankruptcy
- Corporations Canada
- Investment Review
- Intellectual Property
- Internal Trade Secretariat

Spectrum, Telecommunications and the Online Economy

Subactivities
- Spectrum Management and Telecommunications
- Electronic Commerce

Consumer Affairs

Competition Law Enforcement

Science, Technology and Innovation Capacity

Subactivities
- Government Science and Technology Policy Agenda
- Science and Technology Partnerships

Information and Communication Technologies Research and Innovation

Research and Development Financing

Subactivities
- Automotive Innovation
- Aerospace Innovation
- Strategic Aerospace and Defence Initiative
- Technology Partnerships Canada

Small Business Research, Advocacy and Services

Subactivities
- Canada Small Business Financing
- Canada Business Network
- Small Business Internship
- Small Business Growth and Prosperity

Industrial Competitiveness and Capacity

Subactivities
- Industry-Specific Policy and Analysis
- Shipbuilding Capacity
- Industrial and Regional Benefits

Community Economic Development

Subactivities
- Community Futures
- Northern Ontario Development
- Computers for Schools
- Community Access
- Linguistic Duality and Official Languages

Internal Services

Legend:

Theme I: Addressing Climate Change and Air Quality

Theme IV: Shrinking the Environmental Footprint – Beginning with Government

1.4 Planning summary

Industry Canada's financial and human resources

The following two tables present Industry Canada's financial resources and human resources, expressed as full-time equivalents (FTE), for the next three fiscal years.

Financial Resources ($ millions)*

2011–12	2012–13	2013–14
1,407.5**	1,425.7	1,147.1***

* Minor differences are due to rounding.

** Planned spending in 2011–12 does not include funding for the extension of the Knowledge Infrastructure Program to October 31, 2011, under Canada's Economic Action Plan.

*** Existing funding for the Automotive Innovation Fund, Structured Financing Facility, and previous grant agreements with Genome Canada and the Canada Foundation for Innovation is scheduled to end in 2012–13. In addition, investments in innovation under the existing Technology Partnerships Canada program and the Strategic Aerospace and Defence Initiative will decrease in 2013–14. This reduction in funding does not have a corresponding effect on FTEs.

Human Resources (FTEs)*

2011–12**	2012–13**	2013–14
5,649	5,622	5,633

* Work is currently under way to assess the impact of the cost-containment measures announced in Budget 2010 and to develop strategies to ensure that expenditure management priorities are implemented while maintaining the quality of departmental programs and services.

** As noted in the 2009–10 Departmental Performance Report, Industry Canada's PAA underwent changes. The methodology used to assign FTEs to specific program activities also changed to ensure FTEs are accounted for in a consistent manner. As a result, the planned values for FTEs included in the 2010–11 Report on Plans and Priorities vary from those included in this report.

Summary by strategic outcome

Strategic Outcome 1 The Canadian marketplace is efficient and competitive	
Performance Indicators	**Targets**
• Canada's ranking for Integrated Product Market Regulation (OECD indicator of a country's economy-wide regulatory and market environments)	• 4th
• Canada's ranking for "starting a business" (World Bank Group's Ease of Doing Business index)	• 3rd
• Canada's ranking for barriers to competition (OECD assessment of accessibility to the Canadian market)	• 26th

Program Activity	Forecast Spending 2010–11	Planned Spending ($ millions)* 2011–12	2012–13	2013–14	Alignment to Government of Canada Outcomes
Marketplace Frameworks and Regulations	68.0	58.3	56.3	62.0	Economic Affairs: A Fair and Secure Marketplace
Spectrum, Telecommunications and the Online Economy	90.8	87.7	86.3	86.2	Economic Affairs: A Fair and Secure Marketplace
Consumer Affairs	4.7	4.6	4.6	4.6	Economic Affairs: A Fair and Secure Marketplace
Competition Law Enforcement	46.9	47.7	48.8	48.8	Economic Affairs: A Fair and Secure Marketplace
Total Planned Spending		**198.3**	**196.0**	**201.7**	

* Minor differences are due to rounding.

Strategic Outcome 2 **Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy**	
Performance Indicators	**Targets**
• Canada's rank in G7 in public-performed research and development as a percentage of GDP (Statistics Canada and the OECD)	• 1st
• Canada's rank in G7 in business-performed research and development as a percentage of GDP (Statistics Canada and the OECD)	• 6th
• Canada's labour productivity measured as real GDP per hour worked (Statistics Canada and the Centre for the Study of Living Standards)	• $44.29

Program Activity	Forecast Spending 2010–11	Planned Spending ($ millions)*			Alignment to Government of Canada Outcomes
		2011–12	2012–13	2013–14	
Science, Technology and Innovation Capacity[1]	1,309.4	265.7	326.4	200.8	Economic Affairs: An Innovative and Knowledge-based Economy
Information and Communication Technologies Research and Innovation	43.6	38.2	37.5	37.5	Economic Affairs: An Innovative and Knowledge-based Economy
Research and Development Financing[2]	358.6	431.9	462.6	323.3	Economic Affairs: An Innovative and Knowledge-based Economy
Total Planned Spending		**735.8**	**826.4**	**561.6**	

* Minor differences are due to rounding.

1. Forecast spending for Science, Technology and Innovation Capacity includes funding for Canada's Economic Action Plan initiatives that will not be continuing in future years, such as the Knowledge Infrastructure Program.
2. Planned spending in 2011–12 for Research and Development Financing includes deferred funding from previous fiscal years to support investments in innovation made under the existing Technology Partnerships Canada program and the Strategic Aerospace and Defence Initiative. Funding to support the automotive sector in developing and building greener, more fuel-efficient vehicles has also been increased.

Strategic Outcome 3 **Canadian businesses and communities are competitive**	
Performance Indicators	**Targets**
• Canada's ranking for the "Small and medium-size enterprises are efficient by international standards" criterion (IMD International's World Competitiveness Yearbook)	• 17th
• Canada's ranking for the "Large corporations are efficient by international standards" criterion (IMD International's World Competitiveness Yearbook)	• 32nd
• Ratio of small and medium-sized enterprises in rural versus urban areas (defined by census subdivisions)	• 1:5.6

Program Activity	Forecast Spending 2010–11	Planned Spending ($ millions)*			Alignment to Government of Canada Outcomes
		2011–12	2012–13	2013–14	
Small Business Research, Advocacy and Services	140.0	128.6	127.4	124.4	Economic Affairs: Strong Economic Growth
Industrial Competitiveness and Capacity[1]	89.6	47.1	56.1	51.1	Economic Affairs: Strong Economic Growth
Community Economic Development[2]	212.8	154.0	92.7	83.7	Economic Affairs: Strong Economic Growth
Security and Prosperity Partnership of North America — Canadian Secretariat[3]	2.2	—	—	—	
Total Planned Spending		**329.8**	**276.2**	**259.2**	

* Minor differences are due to rounding.

1. Forecast spending for Industrial Competitiveness and Capacity includes funding for Canada's Economic Action Plan initiatives that will not be continuing in future years, such as the Marquee Tourism Events Program.
2. Forecast spending for Community Economic Development includes deferred funding from previous fiscal years for the Broadband Canada program, which aims to extend broadband coverage to as many unserved and underserved households as possible.
3. Effective 2011–12, the Security and Prosperity Partnership of North America — Canadian Secretariat program activity will no longer exist because its funding expires.

Program activity supporting all strategic outcomes

Program Activity	Forecast Spending 2010–11	Planned Spending ($ millions)*		
		2011–12	2012–13	2013–14
Internal Services[1]	169.3	143.6	127.1	124.6

* Minor differences are due to rounding.

1. Forecast spending for Internal Services includes deferred funding from previous fiscal years and amounts pertaining to the reimbursement of maternity, parental and severance costs.

1.5 Contribution of priorities to strategic outcomes

Operational priorities

Operational Priority:	Type:[7]	Strategic Outcome:
Ensure marketplace policies help promote competition and instill consumer and investor confidence	Ongoing	The Canadian marketplace is efficient and competitive

Why this is a priority

- Ensures that Canadian businesses can respond to the ever-changing demands and needs of the modern marketplace while ensuring continued consumer and investor confidence.
- Policies that are responsive to consumer interests enable consumers to be effective marketplace participants and help stimulate economic growth.

Plans for meeting the priority

- Pending the coming into force of the Fairness at the Pumps Act in 2010–11, seek approval of regulations establishing mandatory inspection frequencies of measuring devices in eight sectors.
- Combat abuse of market dominance, domestic cartels and fraud in the digital economy through targeted enforcement action.
- Modernize consumer protection through the development of e-commerce standards and increase public awareness of the risks of the online environment as well as the protections available to consumers in this environment.
- Maximize the economic and social benefits that Canadians derive from the radio frequency spectrum through market auctioning of 700 MHz and 2500 MHz bands.

Operational Priority:	Type:	Strategic Outcome:
Foster business innovation	Ongoing	Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy

Why this is a priority

- In order to create high-quality, knowledge-intensive jobs with high wages, organizations need to be at the forefront of scientific development and technological achievement.
- These organizations make our economy more competitive and productive.

Plans for meeting the priority

- Foster business innovation and promote science and entrepreneurial culture, including responding to the Research and Development Review Panel.
- Continue to provide support and enable world-class research and development (R&D) on innovative information and communication technologies that support the government in developing policies, regulations, standards and programs.
- Delivery of the Strategic Aerospace and Defence Initiative to encourage R&D; enhance competitiveness; and foster collaboration among research institutes, universities, colleges and the private sector.

Operational Priority:	Type:	Strategic Outcome:
Invest in science and technology (S&T) to enhance the generation and commercialization of knowledge	Ongoing	Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy

Why this is a priority

- S&T capacity is expanding globally in a much more competitive environment.
- To remain competitive and realize the economic and social benefits of S&T, Canada must be at the leading edge of S&T.

Plans for meeting the priority

- Advance Canada's knowledge, people and entrepreneurial advantage by ensuring the effectiveness of federal programs to support knowledge generation and its transfer and application in Canada.
- Through the provision of science policy advice and policy frameworks, work with counterparts to fulfill commitments made in the science and technology strategy, *Mobilizing Science and Technology to Canada's Advantage – 2007.*

Operational Priority:	Type:	Strategic Outcome:
Foster internationally competitive businesses and industries	Ongoing	Canadian businesses and communities are competitive

Why this is a priority

- Internationally competitive businesses contribute to the creation of jobs and wealth and to a strong Canadian economy.

Plans for meeting the priority

- Continue to assess and analyze the unique economic, business and investment issues faced by industries and develop comprehensive policy advice to ensure that Canadian firms can grow and compete in the globalized marketplace.
- Develop value proposition for investment in Canadian sectors while focusing on reducing barriers to foreign investment.
- Ensure that Canadian companies have opportunities to participate in, or move up, the global value chains associated with large multinationals that receive procurement contracts from the Government of Canada.
- Through the provision of tourism policy advice and whole-of-government approach, Industry Canada will work with partners to fulfill commitments made under the Federal Tourism Strategy (FTS), should the government proceed with an FTS.

Operational Priority:	Type:	Strategic Outcome:
Promote business growth, entrepreneurship and community development	Ongoing	Canadian businesses and communities are competitive

Why this is a priority

- By supporting the creation and growth of small businesses, Canada will benefit from a more dynamic economy and a higher standard of living.

Plans for meeting the priority

- Contribute to the design and delivery of programs and services that help small businesses access financing, grow and succeed.
- Obtain advice from the Advisory Committee on Small Business and Entrepreneurship on the most important issues facing small businesses in Canada, such as reducing the paperwork burden and improving business access to federal programs and information.
- Continue to strengthen northern Ontario communities through the delivery of FedNor programs by fostering an environment that is conducive to economic growth, productivity and job creation.

Management priorities

Management Priority:	Type:[7]	Strategic Outcome:
People management	Ongoing	All strategic outcomes

Why this is a priority

- Similar to the rest of the federal public service, Industry Canada faces major human resources (HR) pressures, such as competition for skilled workers in a highly mobile labour market, retention of staff, impending retirements and development of new hires.
- Industry Canada must be in a position to recruit, develop and retain the talent needed to create and maintain a productive, sustainable, adaptable, competent and diverse workforce to be able to deliver on the Department's strategic outcomes.
- This management priority is considered a foundation piece and a core element of Industry Canada's framework for sound stewardship and management.

Plans for meeting the priority

- Industry Canada's People Management Strategy for Renewal and Results, a three-year strategy with annual action plans, addresses priorities related to employee engagement and renewal, leadership development, HR service excellence and service improvement, and integrity and accountability.
- The Year-3 Action Plan focuses on targeted recruitment, talent management strategies, succession planning, development of EX and EX feeder groups, improvement of efficiencies in HR processes, and implementation of action plans to address issues raised in the 2008 Public Service Employee Survey.

Management Priority:	Type:	Strategic Outcome:
Financial management	Ongoing	All strategic outcomes

Why this is a priority

- Financial management provides assurance on, as well as supports departmental managers in ensuring, the sound stewardship of public resources and compliance with legislation, regulations and policies.
- This management priority is considered a foundation piece and a core element of Industry Canada's framework for sound stewardship and management.

Plans for meeting the priority

- Strengthen processes and quality of information to ensure investments in assets and acquired services are well targeted, appropriately resourced and managed strategically to support the business of the Department.
- Ensure sound analysis and develop strategies for meeting governmental expenditure priorities.

Management Priority:	Type:	Strategic Outcome:
Internal audit	Ongoing	All strategic outcomes

Why this is a priority

- Industry Canada has an effective internal audit function that is founded on rigorous planning, robust reporting and strong governance, including a fully operational, independent Departmental Audit Committee.
- This management priority is considered a foundation piece and a core element of Industry Canada's framework for sound stewardship and management.

Plans for meeting the priority

- Support the internal audit function as it provides added assurance, independent from line management, on risk management, control and governance processes of current and newly introduced programs and initiatives.

Management Priority:	Type:	Strategic Outcome:
Management of business communication tools	New	All strategic outcomes

Why this is a priority

- Updating Industry Canada's business communication tools will allow the Department to better communicate its programs, key messages and achievements to various stakeholders.

Plans for meeting the priority

- Improve internal and external service delivery through a comprehensive update of Industry Canada's intranet and its web presence on the Internet.

Management Priority:	Type:	Strategic Outcome:
Asset and materiel management	New	All strategic outcomes

Why this is a priority

- Addressing Industry Canada's asset and materiel management processes will produce long-term strategic and operational benefits throughout the Department.

Plans for meeting the priority

- Implement a comprehensive framework to provide adequate oversight of Industry Canada's materiel resources.

1.6 Operating environment and risk analysis

Global context

Over the past year, Canada has recovered rapidly from the recession. Close to 400,000 jobs have been created since July 2009, the strongest job growth in the G7, and the economy has grown for five straight quarters. The unemployment rate has been declining, as economic growth and job creation are being buoyed by strong commodity prices, more sustained private sector demand, rising exports, increased business investment, and timely and strategic investments under Canada's Economic Action Plan. While Canada's medium-term growth prospects are healthy, there remains some uncertainty about the trajectory of the broader global economic recovery, which may lead to a moderation in Canada's growth outlook.

Rising commodity prices are supporting several resource-based industries, while the improved U.S. economic outlook is benefitting various export sectors. Private business investment is growing rapidly as firms take advantage of the strong dollar to import more productivity-enhancing machinery and equipment.

The Canadian economy faces several risks. The strong Canadian dollar and high household debt could constrain the growth of non-resource-related industries and private consumption, respectively. Global risks include weak domestic demand in most advanced economies, inflation in emerging economies, global trade imbalances and uncertainty in European sovereign debt markets. Risks related to global trade barriers and to government currency manipulation persist, despite progress by some countries in reducing investment restrictions and advancing trade negotiations.

Over the medium to long term, the Canadian economy will face pressures from an aging population and the changing global economic environment unless productivity improvements can make up for Canada's slowing labour force growth.

In addition, Canadian industries will be challenged to respond to intensifying global competition, the demand for new goods and services and environmental and sustainability considerations. Industries will face pressure to expand their global reach, integrate into global supply chains and adopt cutting-edge new technologies.

Overall, Industry Canada is well positioned to continue supporting Canadian businesses and industries by helping them understand and exploit the changing global economic landscape; by promoting skills development and sector-specific knowledge growth; and by fostering business innovation, competitiveness and productivity.

Industry Canada risk context

Through the implementation of a tailored integrated risk management approach, Industry Canada has taken steps to proactively address some of the key risks that may impede the Department's overall ability to deliver on its mandate. This approach meets the Department's needs for sound risk management and allows it to monitor the mitigation strategies and action plans for its corporate risks. In 2011–12, Industry Canada will also continue to implement strong governance, oversight and risk management practices. The following table presents Industry Canada's corporate risks and associated challenges and their alignment to departmental priorities. Highlights of program-specific risks and mitigation actions are presented in Section 2 of this report.

Corporate Risks and Challenges*	Highlights of Alignment to Departmental Priorities**
Fully advancing a regulatory and policy framework that will ensure the continued evolution of telecommunications and wireless infrastructure	This aligns with Industry Canada's operational priorities related to ensuring marketplace policies help promote competition and instill consumer and investor confidence; fostering business innovation; and investing in science and technology to enhance the generation and commercialization of knowledge.
Managing expectations and maintaining Industry Canada's reputation among stakeholder groups, the public and the media	This aligns with Industry Canada's operational priorities related to ensuring marketplace policies help promote competition and instill consumer and investor confidence; fostering business innovation; investing in science and technology to enhance the generation and commercialization of knowledge; fostering internationally competitive businesses and industries; and promoting business growth, entrepreneurship and community development.
Meeting the shifting and emerging priorities and demands of the recovering economy may affect Industry Canada's ability to support program delivery and meet departmental and government priorities	This aligns with Industry Canada's operational priorities related to ensuring marketplace policies help promote competition and instill consumer and investor confidence; fostering business innovation; investing in science and technology to enhance the generation and commercialization of knowledge; fostering internationally competitive businesses and industries; and promoting business growth, entrepreneurship and community development.
Responding to the current global economic environment and its shifting economic drivers may affect Industry Canada's ability to appropriately support key stakeholders in their investment and innovation capacity and their ability to leverage leading-edge research and S&T discoveries	This aligns with Industry Canada's operational priorities related to fostering business innovation and investing in science and technology to enhance entrepreneurship, community development, and the generation and commercialization of knowledge.

* The corporate risks are broad, high-level statements, as identified in Industry Canada's Corporate Risk Profile, which link program risks to departmental priorities.

** Plans for meeting these priorities also involve the mitigation of risks associated with each challenge. Furthermore, all of Industry Canada's plans for meeting its management priorities contribute to ensuring that sound management practices are observed, thereby supporting the mitigation of this risk.

Industry Canada will continue to update its Corporate Risk Profile as well as identify, monitor and mitigate corporate risks that may affect the Department's ability to achieve its expected results and deliver its mandate.

Strategic review

Industry Canada underwent a strategic review in 2010–11. The strategic review process requires departments and agencies to review 100 percent of their programs with a view to better focusing programs and services, streamlining internal operations and transforming the way they do business, and achieving better results for Canadians. Through this process, organizations identify opportunities to redirect funding to other programs that meet the priorities of the government and Canadians. Results of the strategic review were unavailable at the time this report was produced; however, an overview of the results is included in Budget 2011. Industry Canada's 2011–12 Departmental Performance Report will elaborate on the results of the strategic review.

1.7 Canada's Economic Action Plan

In Budget 2009: Canada's Economic Action Plan, the Government of Canada announced a set of initiatives aimed at providing a quick recovery from the economic downturn and ensuring long-term economic growth and prosperity for Canadian businesses and individuals. These initiatives were to be implemented over a two-year time frame ending on March 31, 2011. This resulted in a temporary increase in Industry Canada's spending for 2009–10 and 2010–11.

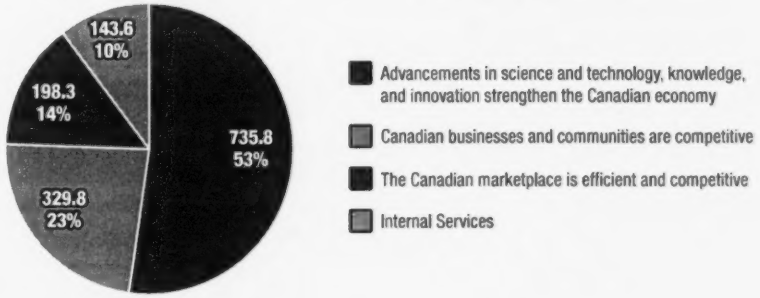
On December 2, 2010, the Government of Canada announced that the deadline for completing infrastructure projects under Canada's Economic Action Plan would be extended from March 31, 2011, to October 31, 2011. The Knowledge Infrastructure Program is the only Industry Canada program affected by this announcement.

1.8 Expenditure profile

Industry Canada's total planned spending for 2011–12 is $1.41 billion. The majority of planned spending is directed at Industry Canada's three strategic outcomes, with a cost-effective 10 percent being allocated to Internal Services.

Industry Canada will continue to implement strategies to ensure efficient use of its operating budget to better deliver benefits to Canadians.

Breakdown of 2011–12 Planned Spending by Strategic Outcome ($ millions)

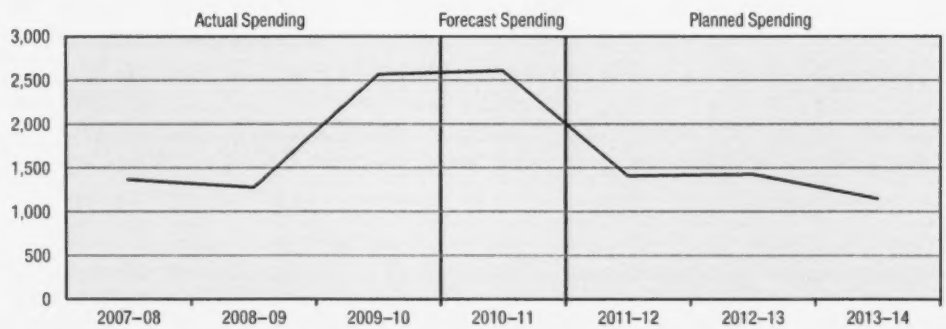


A focus on efficient, high-performing programs will allow Industry Canada to continue to effectively deliver its mandate, with a reduced operating budget, in the coming years and adapt to evolving government priorities. More than ever, the results of audits, evaluations and strategic reviews will be critical to planning, setting priorities and allocating resources.

Spending Trend

The figure below illustrates Industry Canada's spending trend from 2007–08 to 2013–14.

Spending Trend ($ millions)



The increase in spending in 2009–10 and 2010–11 was primarily related to Canada's Economic Action Plan. The decrease in spending in 2013–14 is mainly related to the Automotive Innovation Fund, which is scheduled to end in 2012–13, as well as decreases in funding to the Bombardier CSeries program, the Strategic Aerospace and Defence Initiative and the Canada Foundation for Innovation.

1.9 Estimates by vote

For information on Industry Canada's votes and statuatory expenditures, please see the 2011–12 Main Estimates on the Treasury Board of Canada Secretariat website.[8]

Section 2: Analysis of Program Activities by Strategic Outcome

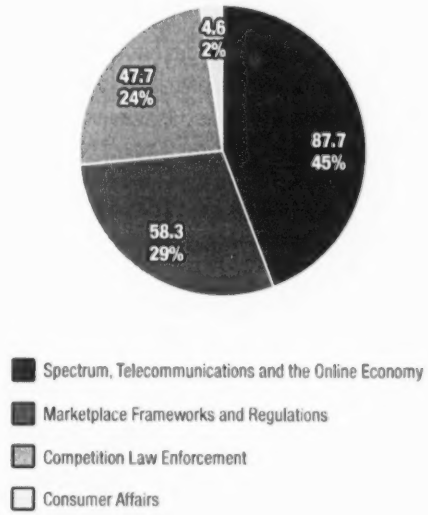
2.1 The Canadian marketplace is efficient and competitive

The global economy continues to emerge from the economic downturn, and growth continues to be slow and uneven, resulting in significant uncertainty in the global marketplace.[9] Therefore, the Canadian marketplace requires effective frameworks and regulations to provide businesses and consumers with some degree of certainty and predictability and to ensure that Canadian firms have every opportunity to innovate and succeed within current market conditions. Efficient marketplace frameworks and regulations are also necessary to facilitate competitiveness and to build and maintain consumer and investor confidence.

Industry Canada strives to achieve an efficient and competitive marketplace by developing, implementing and enforcing policies that are fundamental to the effective functioning of a market. These policies strengthen Canada's capacity for innovation, competition and productivity, which are key drivers of the economy.

Industry Canada contributes to an efficient and competitive Canadian marketplace by

Breakdown of 2011–12 Planned Spending by Program Activity ($ millions)



Year	Financial Resources ($ millions)*	Human Resources (FTEs)
2011–12	198.3	2,928
2012–13	196.0	2,943
2013–14	201.7	2,950

* Minor differences are due to rounding.

- delivering sound regulatory regimes and frameworks and ensuring compliance with these regulatory regimes and frameworks, which include regulations, policies, procedures and standards for bankruptcy and insolvency, foreign direct investment, competition, internal trade, federal incorporations, intellectual property, trade measurement, radio frequency spectrum and telecommunications;
- securing Canada's interest in the international regulation of radio frequency spectrum and telecommunications to protect Canadian access to spectrum and satellite orbit resources;
- providing support to existing federal not-for-profit corporations when the new provisions of the *Canada Not-for-profit Corporations Act* come into force; developing regulations to meet the needs of the not-for-profit sector; providing policies, guidelines and accessible tools to assist not-for-profit corporations in meeting statutory and regulatory obligations; and providing client-oriented services that are responsive and accessible;
- ensuring that consumers and investors are protected and have access to an honest, sound, safe and competitive marketplace, enabling them to be effective marketplace participants; and
- administering and enforcing, among others, the *Competition Act*,[10] the *Consumer Packaging and Labelling Act*,[11] the *Textile Labelling Act*,[12] the *Weights and Measures Act*,[13] the *Electricity and Gas Inspection Act*,[14] the *Bankruptcy and Insolvency Act*,[15] the *Companies' Creditors Arrangement Act*,[16] the *Canada Business Corporations Act*,[17] *the Investment Canada Act*,[18] the *Radiocommunication Act*,[19] the *Telecommunications Act*[20] and the *Precious Metals Marking Act*.[21]

The following key activities will support this strategic outcome:

- monitoring domestic and international developments, including but not limited to technological and scientific developments, international financial trends, changes in other countries' marketplace policy directions and international agreements, with a view to modernizing Canadian marketplace frameworks to promote competition and innovation, which is conducive to productivity growth and prosperity;
- ensuring clear and transparent rules govern foreign investment and maintain an internationally competitive marketplace environment that will attract investment and support economic growth in Canada;
- continuing to work in collaboration with partners to reduce unnecessary barriers to private sector cross-border data flow;
- administering the new provisions of the *Canada Not-for-profit Corporations Act*[22] when they are brought into force (expected to come into force in June 2011);
- advancing next-generation networks by implementing and monitoring Broadband Canada projects, updating coverage maps and developing policy options for next steps;
- supporting cyber security and emergency telecom services and negotiating mutual recognition agreements (MRA) for conformity assessment of telecommunications equipment;
- securing Canadian interests in treaty revisions to both the international Radio Regulations and Telecommunications Regulations;
- improving accessibility and effective use of intellectual property information; and
- preventing anti-competitive mergers and combatting abuse of market dominance, domestic cartels and fraud in the digital economy through targeted enforcement action.

By focusing on these key activities in the coming years, Industry Canada will help improve the Canadian business environment, providing consumers and investors with access to a competitive marketplace.

Program Activity 2.1.1
Marketplace Frameworks and Regulations

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
1,770	58.3	1,782	56.3	1,787	62.0

* Minor differences are due to rounding.

Expected Result	Performance Indicator	Target
Legislation, regulations and policy are in place and are administered for Canadian markets.	Percentage of cases for which regulatory time frames or service standards are met	80 percent

Planning highlights and benefits for Canadians

Industry Canada will implement and administer the new provisions of the *Canada Not-for-profit Corporations Act*, which are expected to come into force in 2011–12. The Act will establish a modern governance framework for not-for-profit corporations and allow them to incorporate faster and be more efficient and effective in the competitive marketplace.

In response to stakeholder requests that NUANS[23] become the single comprehensive source of corporate names used in all Canadian federal, provincial and territorial jurisdictions, Industry Canada will continue its efforts to have NUANS adopted Canada-wide by the 2014 target date.

Pending royal assent of the Fairness at the Pumps Act in 2010–11, which would amend the *Weights and Measures Act* and *Electricity and Gas Inspection Act*, Industry Canada will introduce mandatory frequencies for the inspection of measuring devices (e.g. scales, gas pumps), increased fines and administrative monetary penalties (AMP), which will align Canada with international practices for fair and accurate trade measurement and strengthen consumer and business protection against loss from inaccurate measurement.

The promotion of, and dissemination of information about, intellectual property (IP) in Canada will be ongoing, with a focus on the post-secondary education sector and intermediaries that support exporting small and medium-sized enterprises (SME). This will assure Canadians that their ideas and inventions are adequately protected, which in turn will support innovation in Canada.

Industry Canada will move forward with work aimed at modernizing IP legislation, aligning it with international IP administrative systems and treaties. This will better facilitate innovation and the commercialization of ideas, ensure effective rights enforcement, decrease uncertainty for businesses and inventors, and support inventors who operate on a global scale.

By improving conditions in the marketplace through the plans indicated above, Industry Canada will ensure that Canadians and Canadian businesses benefit from marketplace fairness, integrity, efficiency and competitiveness.

Highlights of challenges and risk areas

Pending royal assent of the Fairness at the Pumps Act in 2010–11, the introduction of AMPs will require Industry Canada to establish new processes and procedures to ensure the successful implementation of this new compliance strategy.

To effectively implement and administer the new provisions of the *Canada Not-for-profit Corporations Act*, Industry Canada must complete enhancements to its information technology system. The Department has developed a detailed project plan to ensure that the system is adequately prepared and that implementation is timely.

Program Activity 2.1.2
Spectrum, Telecommunications and the Online Economy

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
703	87.7	719	86.3	721	86.2

* Minor differences are due to rounding.

Expected Result	Performance Indicators	Targets
Canada's radiocommunication and telecommunications infrastructure and online economy are governed by an effective policy and regulatory framework.	Number of policies, legislation and regulations developed, updated or reviewed to strengthen the policy and regulatory framework	5

Planning highlights and benefits for Canadians

Canada's radiocommunication and telecommunications infrastructure and the online economy require modern, efficient and effective policy and regulatory frameworks. Demand continues to grow for advanced wireless services. This demand is driven by an expanding mobility market and broadband Internet access, which also require privacy protection. Industry Canada will undertake the development of policies, regulations, standards and treaties to support effective spectrum management and the provision of new wireless services.

Consultation on technical rules for auctions in both the 2500 MHz and 700 MHz bands will be completed and the results published. The auctioning of these bands will help support new mobile technologies and services in the Canadian marketplace and ensure that Canadians have sufficient and timely access to essential spectrum.

Industry Canada will implement anti-spam legislation,[24] develop related regulations and establish a Spam Reporting Centre. Bill C-29, *An Act to amend* the Personal Information Protection and Electronic Documents Act (short title: the Safeguarding Canadians' Personal Information Act),[25] has been introduced to Parliament. Its purpose is to increase the protection of personal information in the online marketplace. Bill C-29 also requires that organizations report data breaches to the Privacy Commissioner and affected individuals.

A second statutory review of the *Personal Information Protection and Electronic Documents Act* (PIPEDA)[26] will assess the effectiveness of the Act in the face of technological advances to ensure that it continues to effectively protect personal information in a commercial context and promote confidence in the online marketplace. Consultations with the provinces and territories will be held to align regimes for private sector privacy legislation, making it easier to understand and ensuring that Canadians have equivalent levels of privacy protection in Canada.

A cyber security strategy was launched by Public Safety Canada to protect Canadian governments, industries and consumers from cyber threats. In support, Industry Canada will implement the cyber security work plan, which includes risk analysis and mitigation of cyber security threats affecting the telecommunications infrastructure.

Industry Canada will be negotiating treaty revisions to the international Radio Regulations. Preparations, in consultation with private industry and other government departments, are underway. One of the key objectives of these treaty revisions is to secure and protect Canada's interests in spectrum and satellite orbit resources. This includes facilitating communications across Canada and protecting Canadian sovereignty in remote areas through modern digital technologies.

Industry Canada plans to negotiate frequency-sharing arrangements with the U.S. to facilitate the deployment of new wireless systems. MRAs for conformity assessment of telecommunications equipment will be negotiated with trading partners so that Canadian standards pertaining to radiocommunications and telecommunications can be stipulated in international agreements and standards.

By delivering on these plans, Industry Canada will ensure that Canadians have access to advances in radiocommunications and telecommunications and to the online economy and that accompanying regulations are in place to sufficiently protect Canadians' privacy.

Highlights of challenges and risk areas

Growth in mobile services over the next 10 years is expected to have an impact on spectrum availability and the ability to meet mobile services demands in a timely fashion. To ensure Canada does not lag in the new mobile Internet economy, Industry Canada is developing and implementing a multi-year plan to make spectrum available, to introduce market-based fees as an incentive for efficient use, and to update legislation to facilitate trade and reallocation of spectrum.

Program Activity 2.1.3
Consumer Affairs

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
23	4.6	23	4.6	23	4.6

* Minor differences are due to rounding.

Expected Result	Performance Indicators	Targets
Citizens and policy-makers are aware of consumer issues in the Canadian marketplace.	Number of instances per year where consumer research and/or analysis contributes to consumer policy discussions	3
	Number of visitors accessing information products on websites managed by the Office of Consumer Affairs (OCA)	1.65 million
	Number of instances per year where research and analysis performed by consumer organizations supported by the OCA's Contributions Program for Non-Profit Consumer and Voluntary Organizations contribute to policy discussions or media coverage	12

Planning highlights and benefits for Canadians

In the current economic climate, the challenges facing consumers are ever changing and increasingly complex. Proactively addressing these challenges offers consumers some degree of certainty and is essential to maintaining their confidence in the marketplace. Industry Canada, through the OCA, will offer consumers information on areas where they may be particularly vulnerable and equip them with tools from the *Canadian Consumer Handbook*[27] to help them make informed decisions, thereby contributing to a marketplace that is more efficient and competitive.

Industry Canada will continue to implement the OCA's Partnership Strategy. This will expand the reach and impact of the analytical work that is performed to support federal, provincial and territorial deliberations.

In conjunction with the Consumer Measures Committee,[28] Industry Canada will continue to explore measures to protect consumer interests through joint analysis of current consumer pressures in priority sectors and the sharing of best practices for regulatory compliance with federal, provincial and territorial consumer protection laws.

Industry Canada will implement a communications strategy for the anti-spam legislation, aimed at educating consumers and businesses about, and increasing their awareness of, spam and other online threats, which is critical for the safe use of the Internet. Creating the knowledge base, information and tools that lead to independent, safe and productive use of the Internet helps increase consumer confidence in the online marketplace.

Industry Canada will work with partners in other departments and international partners on a variety of consumer policy projects pertaining to sustainable consumption, consumer vulnerability and electronic commerce. International policy work will involve actively participating in the OECD's Committee for Consumer Policy and various technical committees of the International Organization for Standardization (ISO) to modernize consumer protections in e-commerce, ensure environmental claims are meaningful and accurate, enhance consumer product safety, improve the readability of consumer utility bills and encourage social responsibility in organizations.

Through these actions, the interests of Canadian consumers will be better protected, and they will have access to tools and information to make informed decisions.

Highlights of challenges and risk areas

Consumers and businesses may not be aware of their roles and responsibilities regarding spam and other online threats under the new anti-spam legislation. In response, Industry Canada will implement a communications strategy, which will include an evaluation component, and provide information to educate stakeholders about the new legal provisions.

Program Activity 2.1.4
Competition Law Enforcement

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
432	47.7	419	48.8	419	48.8

* Minor differences are due to rounding.

Expected Results	Performance Indicators	Targets
Canadian markets are competitive.	Estimated dollar savings per annum to consumers from Competition Bureau actions that stop anti-competitive activity	$330 million
	Approximate percentage of Canada's gross domestic product (GDP) subject to market forces	No less than 82 percent
Businesses/individuals change their anti-competitive conduct following compliance interventions conducted by the Competition Bureau.	Percentage of recidivists	Less than 5 percent

Planning highlights and benefits for Canadians

Well-designed competition law and effective competition law enforcement, including resolving cases of demonstrable benefit to consumers, promote increased efficiency and economic growth.

To ensure the Canadian marketplace is efficient and competitive, Industry Canada, through the Competition Bureau, will continue to vigorously and effectively enforce the laws under its jurisdiction. The Competition Bureau, as an independent law enforcement agency, ensures that Canadian businesses and consumers prosper in a competitive and innovative marketplace. The Competition Bureau will engage in enforcement actions targeting abuse of dominance and domestic cartels and will ensure timely and effective merger reviews, including resolution before the Competition Tribunal. In addition, the Competition Bureau will target fraud in the digital economy, particularly in the areas of health and the environment, and will continue to protect competitive markets by detecting, disrupting and deterring the most egregious forms of anti-competitive conduct.

Through the effective implementation of recent amendments to the *Competition Act*,[29] the Competition Bureau will enhance its transparency and increase the predictability and effectiveness of its enforcement actions by using the full range of tools in the enforcement continuum, including litigation where necessary. Providing clarity and predictability to businesses and consumers is particularly important in the current uncertain economic climate.

Highlights of challenges and risk areas

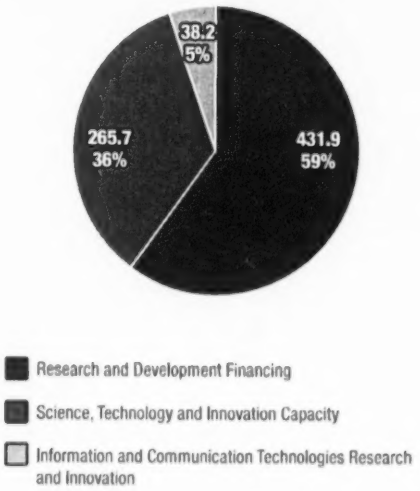
What can be expected of the Competition Bureau and what it can accomplish with the new powers it will receive as a result of the anti-spam legislation may not be well understood by Canadians. The Competition Bureau will therefore ensure that the new enforcement provisions are effectively and efficiently implemented and will also develop a communications strategy to manage expectations.

2.2 Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy

Science and technology (S&T) are essential to building the knowledge-based economy of tomorrow. Fostering innovation and investing in S&T are fundamental to improving Canada's productivity and global competitiveness. Canada holds a leading global position in some areas of the research and innovation system but faces challenges in other areas. Industry Canada supports a viable private sector innovation system and, in support of this objective, has launched a Research and Development Review Panel to determine how government support can best be used to advance and commercialize research. The Department works with its portfolio partners, the private sector, industry associations, academia and all levels of government to foster an environment that is conducive to innovation, scientific excellence and industrial competitiveness.

It is through these relationships that the Department is helping to promote innovation, technology transfer and spinoffs as well as contributing to a skilled workforce and ensuring that Canadians and Canadian businesses benefit from an innovative and knowledge-based economy.

Breakdown of 2011–12 Planned Spending by Program Activity ($ millions)



Industry Canada also supports further advancements in S&T, knowledge and innovation by focusing on the following:

Year	Financial Resources ($ millions)*	Human Resources (FTEs)
2011–12	735.8	534
2012–13	826.4	523
2013–14	561.6	522

* Minor differences are due to rounding.

- the attraction and retention of top research talent through effective S&T programs;
- the commercialization of Canadian research and development (R&D) and technology transfer to increase innovation;
- strategic, large-scale R&D projects in the automotive and aerospace sectors that support innovative, greener and more fuel-efficient vehicles and aircraft; and
- research in advanced telecommunications and information technologies to support the development of new products and services for the information and communication technologies (ICT) sector and the adoption of innovative ICT applications.

The following key activities will support this strategic outcome:

- advancing science policy advice and policy frameworks to fulfill commitments made in the multi-year science and technology strategy, *Mobilizing Science and Technology to Canada's Advantage – 2007*;[30]
- producing and launching the 2010 State of the Nation report on Canada's science, technology and innovation system;
- working with portfolio agencies to ensure funding programs promote private sector innovation; and
- consulting and collaborating with external stakeholders and counterparts in other science-based departments to improve Canada's science and innovation system.

By focusing on these key activities in the coming years, Industry Canada will encourage innovation and ensure that Canadian businesses become increasingly competitive in the global economy.

Program Activity 2.2.1

Science, Technology and Innovation Capacity

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending**	FTEs	Planned Spending***	FTEs	Planned Spending
69	265.7	69	326.4	69	200.8

* Minor differences are due to rounding.

** Planned spending in 2011–12 does not include funding for the extension of the Knowledge Infrastructure Program to October 31, 2011, under Canada's Economic Action Plan.

*** A new up-front multi-year funding agreement totalling $600 million over five years was announced in Budget 2009. This funding agreement, which is for future activities at the Canada Foundation for Innovation (CFI), comes into effect in 2012–13. However, existing funding to Genome Canada and a previous grant agreement with the CFI will end in 2012–13.

Expected Results	Performance Indicators	Targets
Canada's S&T capacity is developed.	Canada's rank in federal investment in higher education research and development (HERD) as a percentage of GDP	Leadership position in the G7
Canada invests in skilled workers to drive innovation.	R&D workers in the workforce	Year-over-year increase
Knowledge Infrastructure Program: Provide economic stimulus in local economies across Canada through infrastructure investments at post-secondary institutions	Total value of approved projects at colleges and universities	$2 billion by October 31, 2011

Programming in this area supports Theme I: Addressing Climate Change and Air Quality.

Planning highlights and benefits for Canadians

Innovation is a major driver of productivity growth. Scientific discoveries and new technologies provide solutions to many of the issues that are important to Canadians and contribute to a higher standard of living and better quality of life. The Government of Canada remains committed to strengthening the effectiveness of its investments in S&T, which were outlined in its S&T strategy, to ensure that Canadians benefit from scientific innovation.

In fulfilling commitments made in the S&T strategy, the Department will continue to provide science policy advice. It will do so in collaboration with its portfolio agencies, other science-based departments and agencies, the provinces and territories, and the regional development agencies.

The Department will also continue to support the Science, Technology and Innovation Council (STIC).[31] The STIC, an advisory body established under the S&T strategy, provides the Government of Canada with policy advice on S&T issues. Industry Canada, in collaboration with the STIC, will produce and launch the 2010 State of the Nation report on Canada's science, technology and innovation system. The report will provide an assessment of Canada's research and innovation as well as its S&T performance against international standards of excellence to ensure that commitments made in the S&T strategy are fulfilled.

Industry Canada will focus on developing S&T and innovation policies to foster business innovation and to promote science and an entrepreneurial culture. This will be informed by economic research and analysis and consultations with Canadian and international partners.

Industry Canada will continue to monitor the effectiveness of research funding. Together with partners such as the federal granting councils, National Research Council Canada, the Canada Foundation for Innovation[32] and Genome Canada,[33] the Department will measure and maximize the impact of these investments to ensure that they advance S&T in Canada.

Industry Canada will also continue to provide science policy advice and policy frameworks and work with portfolio agencies to fulfill commitments made in the S&T strategy in the following priority areas: health and related life sciences, environmental science and technologies, natural resources and energy, and information and communication technologies.[34]

Through these activities and its work with portfolio partners, other government departments and external stakeholders from the private and public sectors, Industry Canada will endeavour to promote scientific excellence and foster an environment that is conducive to innovation.

Highlights of challenges and risk areas

Private sector investment in R&D in Canada continues to lag behind other countries, despite the Government of Canada's considerable investment in business R&D. As announced in Budget 2010, an independent expert panel was created to review federal support of business R&D and make recommendations to maximize the impact of these initiatives. The panel will report back to the Minister of State for Science and Technology in October 2011.

Canada's Economic Action Plan

The Knowledge Infrastructure Program (KIP),[35] which was introduced in Budget 2009, provides funding of up to $2 billion over two years for R&D infrastructure projects at post-secondary institutions. On December 2, 2010, the Government of Canada announced that the program would be extended until October 31, 2011.

Program Activity 2.2.2
Information and Communication Technologies Research and Innovation

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
377	38.2	366	37.5	365	37.5

* Minor differences are due to rounding.

Expected Results	Performance Indicators	Targets
Industry Canada policy-making and program development sectors are made aware of new and emerging communication technologies and are provided with the technical information they need to make well-informed decisions.	Number of new and emerging communication technologies for which Communications Research Centre Canada (CRC) has provided advice or input to Industry Canada for the development of policy, standards and regulations and for contributions to international forums (e.g. the International Telecommunication Union, or ITU)	10 new technologies for which advice is sought or for demonstration
Canadian government departments and agencies (National Defence, Canadian Radio-television and Telecommunications Commission, Canadian Space Agency) are provided with the information they need to make well-informed decisions on new communication technologies.	Level of funding received from other federal government departments to conduct research and testing on communication technologies	$7 million
Canadian telecommunications companies realize industrial and economic benefits from CRC intellectual property (IP) and technology transfer.	IP revenue and contracting-in money received by CRC	$2 million

Planning highlights and benefits for Canadians

Industry Canada is committed to a competitive Canadian ICT sector. Support for the development of new products and services for the ICT sector is provided through the CRC.[36] In addition, the CRC enables Industry Canada to provide technical information to support well-informed decisions on such issues as cyber security, the transition to digital television, the sharing of the television spectrum and the implementation of digital radio and mobile television. Industry Canada will continue to support R&D activities targeted at promoting the adoption of innovative ICT applications.

Industry Canada will support the development of technologies to improve spectrum efficiency for intelligent radio, prediction of ultra high frequency (UHF), environment and white space interference, propagation analysis and wireless network convergence, as well as to increase information broadcasting capacity and quality through audio-visual coding, modulation and interference mitigation.

In addition, Industry Canada will support R&D in the following areas:

- technologies and infrastructure used in emergencies, with the purpose of improving technologies for rapidly deployable and interoperable radio and public alerting; and
- technologies and infrastructure for network attacks, emergency alerting and response, search and rescue, and surveillance and sensing, with the purpose of improving network security and public safety.

The Department will coordinate, at the national level, ICT-related international S&T agreements and participate in various international research consortiums.

Results of ICT-related R&D will be submitted to international organizations' technical panels and working groups in support of Canadian interests in the areas of, for example, propagation (ITU-R WP3) and international search and rescue satellite systems.

Industry Canada will also investigate the use of broadcasting, satellite, wireless and optical communications systems to improve and expand broadband access.

The Department will develop and support new technology in the area of energy efficiency and greenhouse gas reduction as well as produce a report on the Smart Grid program.

These plans will be undertaken to support the development of ICT capacity and to close the innovation gap by facilitating the transfer of new technologies to Canadian industry.

Highlights of challenges and risk areas

As scientific equipment becomes obsolete and campus infrastructures age, Industry Canada's ability to meet its R&D commitments could be affected. Over the next three years, the Department will ensure that cost-saving measures are identified and implemented and that savings are used for the highest campus operations' priorities as well as for items identified in the long-term capital plan.

Program Activity 2.2.3

Research and Development Financing

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending**
88	431.9	88	462.6	88	323.3

* Minor differences are due to rounding.

** The decrease in planned spending in 2013–14 is mainly due to the Automotive Innovation Fund, which is scheduled to end in 2012–13. As well, decreases are planned in 2013–14 for the Bombardier CSeries program and the Strategic Aerospace and Defence Initiative.

Expected Results	Performance Indicators	Targets
Investment in leading-edge R&D in targeted Canadian industries	Dollar value of disbursements to firms for R&D activities	$361.4 million
	Dollars of investment leveraged per dollar of Industry Canada investments in R&D projects	$2.00
Development and commercialization of new and improved products, processes and services	Nature and extent of new and improved technologies developed	Description of technologies developed and commercialized

Programming in this area supports Theme I: Addressing Climate Change and Air Quality.

Planning highlights and benefits for Canadians

Through strategic support of R&D projects, Industry Canada contributes to the advancement of Canada's innovation capacity and expertise and to the creation and retention of jobs in Canada.

The Department will continue to effectively monitor the aerospace innovation program, manage its partnerships, and implement the Strategic Aerospace and Defence Initiative (SADI), thereby enhancing Canada's capacity for R&D and the commercialization of new technologies in the Canadian aerospace industry.

The Industrial Technologies Office (ITO) will implement a performance management strategy to ensure that SADI's benefits and results are being clearly communicated and to demonstrate that its objectives are being met.

To improve client service and increase efficiency without compromising due diligence, ITO will implement new measures to reduce the processing time for amendments to SADI and Technology Partnerships Canada contribution agreements.

The Automotive Innovation Fund[37] will continue until 2013. This $250-million fund provides the automotive sector with support for strategic, large-scale R&D projects to develop innovative, greener and more fuel-efficient vehicles.

By delivering on these plans, Industry Canada will help increase the capacity of Canadian firms to participate in leading-edge R&D and S&T innovation.

Highlights of challenges and risk areas

Given how rapidly technology advances and changes, Industry Canada faces the uncertainty that certain funded projects could become redundant or non-competitive. To address this, the Department considers the effect of technological change when analyzing the expected performance of key industries and leading firms.

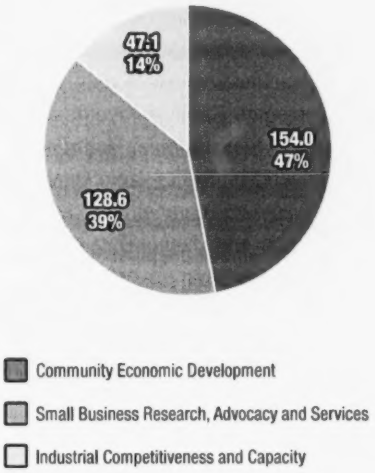
2.3 Canadian businesses and communities are competitive

Canada's competiveness in the global economy may be attributable to the productivity of Canadian firms, as they are the generators of wealth, innovation, investment and employment within the economy. They will continue to face challenges as a result of increasing global competition. The Department therefore continues to strive to maximize Canadian productivity and competitiveness and enable Canadian industries to take advantage of opportunities and respond to risks, link into global value chains,[38] and build and strengthen partnerships both domestically and internationally. The goal is for competitive and adaptable Canadian industries to have the knowledge and capacity to respond appropriately to external shocks within an uncertain economic climate and to compete internationally.

Canada is facing challenges in its productivity growth, which affects its ability to attract foreign investment. There is increasing competition for investment from emerging economies that were not affected as significantly by the recession.

To ensure that Canadian businesses and communities are competitive, Industry Canada collaborates with businesses, governments and industry to enhance the recognition of Canadian industrial capabilities and to identify and address opportunities and risks affecting industry competitiveness within the globalized marketplace.

Breakdown of 2011–12 Planned Spending by Program Activity ($ millions)



Year	Financial Resources ($ millions)*	Human Resources (FTEs)
2011–12	329.8	592
2012–13	276.2	561
2013–14	259.2	562

* Minor differences are due to rounding.

Additionally, Industry Canada supports small and medium-sized enterprises (SME), which play a role in and contribute to Canada's economic well-being, by facilitating their access to financing and through capacity building in both physical infrastructure and ICT. Industry Canada works collaboratively with federal departments, the provinces and territories, and industry to gather knowledge about such sectors as ICT, energy, life sciences, automotive, services, and aerospace and defence to ensure that government policies and programs effectively support the competitiveness of these sectors. This increases the capacity of firms and communities across Canada to participate in a knowledge-based economy. This is one way in which the Department promotes business growth, entrepreneurship and community development.

Industry Canada further contributes to ensuring that Canadian businesses and communities are competitive by:

- supporting the growth and competitiveness of small business and encouraging entrepreneurship;
- helping Canadian industries develop the capacity to adapt to the ever-changing economic landscape, respond appropriately to external shocks, and innovate and compete internationally;
- applying expertise to develop and contribute to policy, legislation and regulations and to engage various public and private stakeholders in strengthening Canada's industrial capacity;
- encouraging growth and economic diversification to create sustainable communities; and
- informing communities about access to the infrastructure that is essential for participating in today's economy by reporting on results of the Broadband Canada: Connecting Rural Canadians program.

The following key activities will support this strategic outcome:

- providing support to the Advisc , Committee on Small Business and Entrepreneurship as it looks at ways to improve small business access to federal programs and services, which is one element of the Paperwork Burden Reduction Initiative;
- continuing to improve services for small businesses, saving them time and effort when seeking information on government programs and services;
- implementing recommendations from audits and evaluations of programs;
- encouraging and promoting the adoption and adaptation of new business processes, technologies and skills;
- monitoring and analyzing firms and trends in industry, thereby enabling the Department to advise stakeholders on key strategic issues and to bring an industry perspective to government decision making, policy formulation and business development; and
- implementing a digital economy strategy that is based on research, analysis and recommendations from stakeholder consultations.

By focusing on these activities in the coming years, Industry Canada will help support Canadian business competitiveness and productivity.

Program Activity 2.3.1
Small Business Research, Advocacy and Services

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending	FTEs	Planned Spending
123	128.6	123	127.4	122	124.4

* Minor differences are due to rounding.

Expected Result	Performance Indicator	Target
Small businesses use government programs, tools and information.	Number of small businesses using government programs, tools and information to enhance their growth and competitiveness	2,342,050

Planning highlights and benefits for Canadians

Industry Canada raises awareness across government of the challenges facing small businesses and provides statistical information about SMEs as well as analysis and expertise on SME-related issues, such as entrepreneurship, financing, innovation and growth firms. The Department also recommends policy options, works with SMEs to deliver programs that help support them and entrepreneurial activity across Canada, and provides analysis in relation to the Business Development Bank of Canada (BDC).

Industry Canada will support the Minister of Industry in the conduct of the 10-year legislative review of the BDC, which is to be conducted in consultation with the Minister of Finance. The Department will also support implementation of the resulting recommendations. The aim of the review is to encourage small business growth, competitiveness and entrepreneurship.

Based on the findings of the 2010 Comprehensive Review and discussions with stakeholders, improvements to the Canada Small Business Financing Program (CSBFP) are being developed. The aim of these improvements is to streamline the administrative process, make CSBFP loans more appealing for lenders to offer and mitigate the risks to government. The CSBFP helps to increase SMEs' access to financing that would not otherwise be accessible without government support.

The Department will leverage partnerships to continue to deliver integrated business information service strategies for small business. It will also build and strengthen partnerships with other departments and agencies, other levels of government and national associations serving small business to increase awareness of the Canada Business Network, leverage access to content and identify future areas for collaborating on service-to-business delivery. This will ensure that SMEs have the necessary information to make informed business decisions and will also facilitate business compliance.

By continuing to assist SMEs in their adoption of e-business strategies through student internships, Industry Canada will enhance the growth and competitiveness of small business and encourage entrepreneurship.

As a result of the Department's efforts in this program area, Canada's entrepreneurs and SMEs will contribute to strengthening the Canadian economy as it continues to emerge from the recession.

Highlights of challenges and risk areas

Consultations in support of the 10-year legislative review of the BDC are ongoing. While the Senate report has been received, there could be delays in receiving other input. Given this, Industry Canada has developed a flexible action plan to monitor and track input and incorporate it during report development.

Program Activity 2.3.2
Industrial Competitiveness and Capacity

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending**	FTEs	Planned Spending
305	47.1	298	56.1	299	51.1

* Minor differences are due to rounding

** Planned spending in 2012–13 includes deferred funding from previous fiscal years for the Structured Financing Facility, which maintains shipyard capability for federal marine procurement and maintenance requirements. Funding for this program ends in 2013–14.

Expected Results	Performance Indicators	Targets
Canadian industries have the capacity to prepare for and respond to risks and opportunities in domestic and global markets.	Canada's ranking for "Value chain breadth" (indicator 11.05 of the World Economic Forum's Global Competitiveness Report)	33rd or better (based on 2010–11 report)
	Canada's ranking for "Firm-level technology absorption" (indicator 9.02 of the World Economic Forum's Global Competitiveness Report)	22nd or better
Industry perspective is considered in policy, legislation, regulations and agreements.	Number of collaborative policy projects focused on industry competitiveness and adaptability	46

Planning highlights and benefits for Canadians

Departmental officials engage with associations, governments and leading firms to help Canadian industries become more innovative, enter into global value chains, strengthen partnerships both domestically and internationally, attract investment and promote Canadian expertise.

Should the government adopt and release a Federal Tourism Strategy, Industry Canada would lead its implementation. The strategy would further articulate the federal government's approach to supporting tourism, building on the four priorities announced by the Prime Minister in June 2009:

- encouraging product development and investments in Canadian tourism assets and products;
- facilitating ease of access and movement for travellers, while ensuring the safety and integrity of Canada's borders;
- increasing awareness of Canada as a premier tourist destination, including federal tourism assets; and
- fostering an adequate supply of skills and labour to enhance visitor experiences through quality service and hospitality.

The Department will also work in collaboration with the private sector on the development of technology roadmaps, including the Soldier Systems Technology Roadmap[39] that supports Canada's soldier modernization efforts. Working with partners such as other departments and agencies, councils, research institutions and the private sector, Industry Canada will guide the completion of the development phase and will help establish the framework for successful implementation of this modernization effort. Technology roadmaps encourage and promote the identification of key emerging or disruptive technologies so that Canadian companies in sectors such as ICT, advanced materials, biotechnology and clean energy technologies can seize opportunities in domestic and global markets.

Industry Canada will continue to engage with industry associations, key firms, other federal government departments and other levels of government to enhance its understanding of issues related to competitiveness so as to better align policies and leverage programs to create an environment that fosters business innovation and encourages investment in key industries.

Through the Industrial and Regional Benefits policy, which provides the framework for using federal defence procurement to leverage long-term industrial and regional development within Canada, Industry Canada is working with partners to ensure that Canadian companies participate in, or move up, the global value chains associated with major defence contracts.

Industry Canada's efforts in this program area will help Canadian industries develop the capacity to adapt to the ever-changing economic landscape, respond appropriately to external shocks, and innovate and compete internationally, thereby strengthening Canada's industrial capacity.

Highlights of challenges and risk areas

In many countries, recovery from the recession is slower than in Canada. This, coupled with the relatively high Canadian dollar, may limit opportunities for Canadian firms to sell their products and invest in key global markets. To address this, Industry Canada is analyzing business, financial and investment factors; advising government stakeholders on the impact of changing market conditions on industrial competitiveness; and also advising industry stakeholders on strategic risks and opportunities.

Program Activity 2.3.3
Community Economic Development

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending**	FTEs	Planned Spending	FTEs	Planned Spending
164	154.0	140	92.7	141	83.7

* Minor differences are due to rounding.

** Planned spending in 2011–12 includes deferred funding from previous fiscal years for the Broadband Canada program, which aims to extend broadband coverage to as many unserved and underserved households as possible. Funding for this program is scheduled to end in 2011–12.

Expected Results	Performance Indicators	Targets
Targeted businesses and organizations in northern Ontario create economic growth.	Number of northern Ontario businesses and organizations created, expanded or maintained	3,398
The Broadband Canada: Connecting Rural Canadians program is expected to expand broadband coverage to as many unserved and underserved households in Canada as possible, beginning in 2009–10.	Percentage of projects completed by March 31, 2012	100 percent

Planning highlights and benefits for Canadians

By means of program funding through FedNor, Industry Canada will support northern Ontario communities and businesses to ensure that they are competitive in the Canadian marketplace. To achieve this, Industry Canada will continue to provide financial support through the Northern Ontario Development Program (NODP), FedNor's core program designed to promote economic growth, diversification, job creation and sustainable communities in northern Ontario. An evalution of the program and the renewal of its Terms and Conditions will create opportunities to improve how the program is delivered, to revise program priorities and to consider the implementation of new directions that are aligned with the changing needs of the federal government, local businesses, communities and the economy of the region.

The Department will also continue providing financial support to Community Futures organizations. In collaboration with other partners, these organizations provide economic stability and contribute to growth in northern Ontario through the creation of diversified economies and sustainable communities. This environment is essential for attracting investment, which further contributes to job creation. The Department's implementation of audit and evaluation recommendations will ensure the optimal administration of this program, including increased transparency in and accountability for its administrative processes.

Also in northern Ontario, Industry Canada will implement recommendations from the evaluation of the Economic Development Initiative,[40] which is part of the Government of Canada's *Roadmap for Canada's Linguistic Duality 2008–2013: Acting for the Future*. This initiative encourages sustainable economic growth in Ontario's Francophone communities through activities that enhance the competitiveness of SMEs while responding to their needs. There will also be a focus on examining SMEs in these communities to identify economic development issues as well as opportunities.

Through these plans, Industry Canada will enable northern Ontario communities to be better positioned to attract and support business and community economic development.

Through the Computers for Schools[41] program, refurbished computers are being distributed to schools, libraries and not-for-profit organizations across Canada. Another component of the program involves engaging youth interns to assist in computer refurbishment and ICT skills integration. Industry Canada will develop and implement a marketing, communications and outreach strategy to increase awareness of the program and highlight program improvements.

Highlights of challenges and risk areas

In response to northern Ontario's changing economic climate, the NODP's priorities will be realigned to achieve short- to medium-term, measurable results supporting the economic development and growth of northern Ontario communities and businesses. The NODP's updated criteria and guidelines will be accessible through the FedNor website and provide Canadians with comprehensive information about the program.

2.4 Internal Services

Human Resources (FTEs) and Planned Spending ($ millions)*					
2011–12		2012–13		2013–14	
FTEs	Planned Spending	FTEs	Planned Spending**	FTEs	Planned Spending
1,595	143.6	1,595	127.1	1,599	124.6

* Minor differences are due to rounding

** Royalties from Defence Industries Productivity programs that support Industry Canada's operating requirements are forecast to decrease by approximately $20 million in 2012–13.

Programming in this area supports Theme I: Addressing Climate Change and Air Quality.

Programming in this area supports Theme IV: Shrinking the Environmental Footprint – Beginning with Government.

Internal Services are groups of related activities and resources that are administered to support the needs of programs and other departmental obligations.

Internal Services include management and oversight services, public policy services, communications services, legal services, human resources (HR) management services, financial management services, information management services, information technology services, real property services, materiel services, acquisition services, and travel and other administrative services.

Internal Services involve only those activities and resources that apply across the Department, not those that are specific to a program.

In support of environmental sustainability, Industry Canada will continue to promote industry's development and use of corporate social responsibility (CSR) management tools and the use of CSR standards in the Canadian marketplace.[42]

As a participant in the Federal Sustainable Development Strategy (FSDS), Industry Canada contributes to Greening Government Operations targets through its Internal Services program activity. The Department contributes to Theme IV of the FSDS, specifically the following target areas:

- establish green procurement targets (including targets related to training, performance evaluations, and management processes and controls);
- recycle all surplus electronic and electrical equipment in an environmentally sound manner;
- reduce internal paper consumption per employee by 20 percent from 2006–07 levels;
- achieve an 8:1 ratio of employees to printing units;
- adopt a guide for greening meetings and events; and
- reduce greenhouse gas emissions from fleet vehicles by 17 percent from 2005–06 levels by 2020.[43]

Highlights of challenges and risk areas

Successful recruitment, development and retention of the talent needed to create and maintain a productive, sustainable, adaptable, competent and diverse workforce is fundamental to the Department's meeting its strategic outcomes. In response, Industry Canada has adopted a comprehensive approach to HR management and planning, including the development of a three-year People Management Strategy for Renewal and Results. This strategy includes a series of people management initiatives focused on the following four main priority areas: employee engagement and renewal, leadership development, HR service excellence and service improvement, and integrity and accountability.

Section 3: Supplementary Information

3.1 Financial highlights

These future-oriented financial highlights are intended to serve as a general overview of Industry Canada's financial position and operations. They are prepared on an accrual basis to strengthen accountability and improve transparency and financial management.

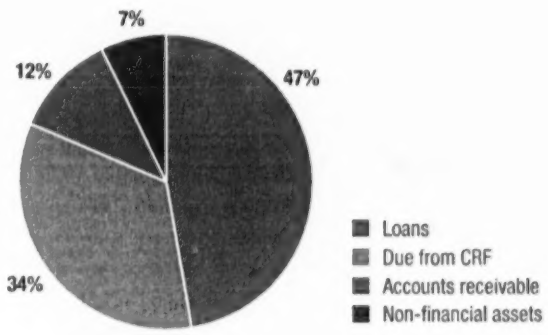
Industry Canada's future-oriented financial statements can be found on the departmental website.[44]

($ thousands)	% Change	Estimated Results 2010–11	Forecast 2011–12
Condensed Future-Oriented Statement of Financial Position (unaudited) At March 31			
Assets			
Financial Assets	-15	1,540,701	1,309,085
Non-Financial Assets	-5	103,526	98,758
Total	**-14**	**1,644,227**	**1,407,843**
Liabilities			
Accounts Payable and Accrued Liabilities	-42	918,461	529,182
Deferred Revenue	-14	3,792,475	3,265,951
Other Liabilities	1	532,863	538,917
Total Liabilities	-17	5,243,799	4,334,050
Equity	-19	(3,599,572)	(2,926,207)
Total	**-14**	**1,644,227**	**1,407,843**

($ thousands)	% Change	Estimated Results 2010–11	Forecast 2011–12
Condensed Future-Oriented Statement of Operations (unaudited) For the period ended March 31			
Expenses			
Transfer Payments	-64	1,771,718	642,987
Operating Expenses	-3	838,023	812,131
Total Expenses	-44	2,609,741	1,455,118
Revenues			
Sales of Services	-4	1,081,510	1,034,353
Other	-40	18,184	10,977
Total Revenues	-5	1,099,694	1,045,330
NET COST OF OPERATIONS	**-73**	**1,510,047**	**409,788**

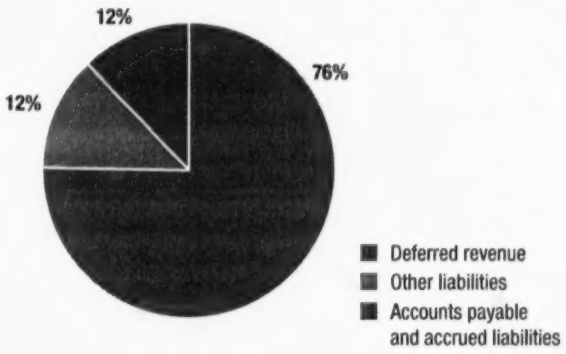
Assets by Type

Total assets for 2011–12 are projected to be $1.41 billion. Expected increases for unconditionally repayable contributions recorded as loans are largely related to the Automotive Innovation Fund and the Strategic Aerospace and Defence Initiative. Due from CRF (Consolidated Revenue Fund) amounts are largely dependent on projected payables and, as such, will vary with fluctuations in those accounts. Non-financial assets represent tangible capital assets for which no substantial increases or decreases are expected.



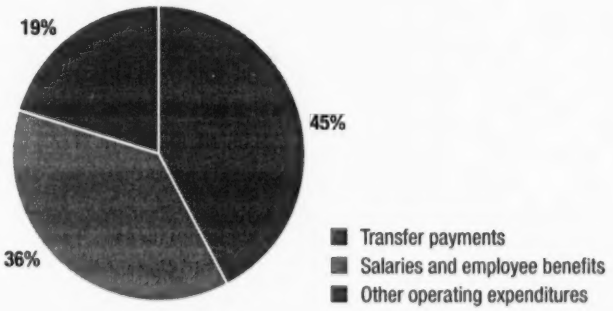
Liabilities by Type

Total liabilities for 2011–12 are projected to be $4.33 billion. The forecast deferred revenue is the largest liability in the Future-Oriented Statement of Financial Position (76 percent or $3.27 billion). This amount represents auction revenues that are deferred and recognized on a straight-line basis, with a significant portion resulting from the Advanced Wireless Services and Other Spectrum auction that was held in 2008–09. Accounts payable and accrued liabilities are projected based largely on expense levels. Other liabilities consist of an allowance for loan guarantees (conservatively held at September 30, 2010, levels), special purpose accounts, and allowances for vacation and severance pay, all of which are projected based on low-level upward trends and historic rates.



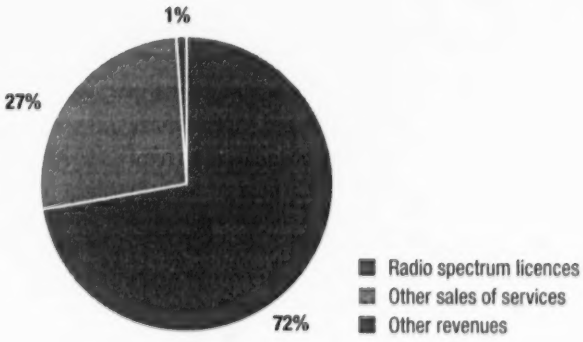
Expenses by Type

Total expenses for 2011–12 are projected to be $1.46 billion. The majority of these expenses are in the form of transfer payments. Transfer payment programs under Canada's Economic Action Plan (EAP) were scheduled to end on March 31, 2011, except for the Broadband Canada program. This program had a predetermined end date of March 31, 2012, and will continue making payments with EAP funding during 2011–12. For this reason, projected expenses are approximately $1.25 billion less than the two previous fiscal years. Operating expenses are expected to remain at their historic levels, with a slight year-over-year decrease, including salaries and employee benefits.



Revenues by Type

Total revenues for 2011–12 are projected to be $1.05 billion. Radio spectrum licences make up three quarters of the projected revenue, which includes yearly licence revenue as well as deferred revenue from sales of spectrum licences. Other sales of services include various sources of revenue, such as fees collected under the Canada Small Business Financing Program and by the Canadian Intellectual Property Office and the Office of the Superintendent of Bankruptcy, all of which have been projected to be consistent with amounts collected in previous years. Other revenues consist largely of fines collected under the Competition Law Enforcement program, which are projected to be half of the 2010–11 levels.



3.2 Supplementary information tables

The following tables are available on the Treasury Board of Canada Secretariat website:[45]

- Details of Transfer Payment Programs
- Up-Front Multi-Year Funding
- Greening Government Operations
- Upcoming Internal Audits and Evaluations in the Next Three Fiscal Years
- Sources of Respendable and Non-Respendable Revenue
- Summary of Capital Spending by Program Activity
- User Fees

Section 4: Other Items of Interest

The following information is available online.

4.1 Information management and information technology governance and responsibilities at Industry Canada[46]

4.2 Program activity titles and descriptions[47]

The program activities are presented by the strategic outcome to which they contribute.

- The Canadian marketplace is efficient and competitive
- Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy
- Canadian businesses and communities are competitive

4.3 Expected results of program subactivities by strategic outcome[48]

The program subactivities, including their expected results, performance indicators and targets, are presented by the strategic outcome to which they contribute.

- The Canadian marketplace is efficient and competitive
- Advancements in science and technology, knowledge, and innovation strengthen the Canadian economy
- Canadian businesses and communities are competitive

4.4 Strategic environmental assessments and sustainable development activities

In accordance with the Federal Sustainable Development Strategy (FSDS), Industry Canada commits to the following:

- providing more specific information on departmental sustainable development activities, as is appropriate to the Department's mandate;
- strengthening the application of strategic environmental assessments (SEA) by ensuring that the government's environmental goals are taken into account when pursuing social and economic goals; and
- employing best practices when reporting summary information on the results of SEAs and linking results to FSDS goals and targets to ensure that environmental decision making is more transparent.

Complete details on Industry Canada's sustainable development activities are available on the Environment and Sustainability subsite[49] of the departmental website. Industry Canada's Greening Government Operations table, one of the supplementary information tables itemized in Section 3 of this report, is available on the Treasury Board of Canada Secretariat website.[50] For complete details on the FSDS, please see the Environment Canada website.[51]

Endnotes

1 www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00007.html

2 Ibid.

3 http://laws.justice.gc.ca/eng/I-9.2/index.html

4 www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00080.html

5 www.tbs-sct.gc.ca/rpp/2011-2012/index-eng.asp

6 www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1

7 In accordance with Treasury Board of Canada Secretariat guidance, types are defined as follows: "New" means newly committed to in fiscal year 2011–12; "Previously committed to" means committed to one or two fiscal years earlier, i.e. 2009–10 or 2010–11; and "Ongoing" means committed to at least three fiscal years earlier, i.e. 2008-09 or earlier.

8 www.tbs-sct.gc.ca/est-pre/20112012/me-bpd/info/info-eng.asp

9 www.bank-banque-canada.ca/en/speeches/2010/sp051010.html

10 http://laws.justice.gc.ca/en/C-34/

11 http://laws.justice.gc.ca/en/C-38/

12 http://laws.justice.gc.ca/en/T-10/index.html

13 http://laws.justice.gc.ca/en/W-6/index.html

14 http://laws.justice.gc.ca/en/E-4/index.html

15 http://laws.justice.gc.ca/en/B-3/

16 http://laws.justice.gc.ca/en/C-36/

17 http://laws.justice.gc.ca/en/C-44/index.html

18 http://laws.justice.gc.ca/en/I-21.8/index.html

19 http://laws.justice.gc.ca/eng/R-2/index.html

20 http://laws.justice.gc.ca/eng/T-3.4/index.html

21 http://laws.justice.gc.ca/en/P-19/index.html

22 http://laws.justice.gc.ca/eng/C-7.75/index.html

23 NUANS (www.nuans.com/) is an online search tool that compares a proposed corporate name or trademark with databases of existing corporate names and trademarks. The purpose is to determine the uniqueness of proposed corporate names.

24 www2.parl.gc.ca/HousePublications/Publication.aspx?Docid=4901869&file=4

25 www2.parl.gc.ca/HousePublications/Publication.aspx?Language=E&Parl=40&Ses=3&Mode=1&Pub=Bill&Doc=C-29_1&File=27

26 http://laws.justice.gc.ca/en/P-8.6/

27 www.consumerhandbook.ca/

28 http://cmcweb.ca/eic/site/cmc-cmc.nsf/eng/home

29 http://laws.justice.gc.ca/en/C-34

30 www.ic.gc.ca/eic/site/ic1.nsf/eng/00871.html

31 www.stic-csti.ca/eic/site/stic-csti.nsf/eng/Home

32 www.innovation.ca/en

33 www.genomecanada.ca/

34 Complete details on Industry Canada's sustainable development activities are available on the Environment and Sustainability subsite (www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00080.html) of the departmental website. Industry Canada's Greening Government Operations table, one of the supplementary information tables itemized in Section 3.2 of this report, is available on the Treasury Board of Canada Secretariat website (www.tbs-sct.gc.ca/rpp/2011-2012/index-eng.asp). For complete details on the Federal Sustainable Development Strategy, please see the Environment Canada website (www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1).

[35] www.ic.gc.ca/eic/site/696.nsf/eng/home
[36] www.crc.gc.ca/en/html/crc/home/home
[37] www.ic.gc.ca/eic/site/auto-auto.nsf/eng/am02257.html
[38] www.ic.gc.ca/eic/site/gvc-cvm.nsf/eng/home
[39] http://soldiersystems-systemesdusoldat.collaboration.gc.ca/eic/site/sstrm-crtss.nsf/eng/home
[40] www.ic.gc.ca/eic/site/fednor-fednor.nsf/eng/h_fn03152.html
[41] www.ic.gc.ca/eic/site/cfs-ope.nsf/eng/Home
[42] See note 34.
[43] Ibid.
[44] www.ic.gc.ca/eic/site/ic1.nsf/eng/06224.html
[45] www.tbs-sct.gc.ca/rpp/2011-2012/index-eng.asp
[46] www.ic.gc.ca/eic/site/ic1.nsf/eng/06220.html
[47] www.ic.gc.ca/eic/site/ic1.nsf/eng/06221.html
[48] www.ic.gc.ca/eic/site/ic1.nsf/eng/06222.html
[49] www.ic.gc.ca/eic/site/ic1.nsf/eng/h_00080.html
[50] www.tbs-sct.gc.ca/rpp/2011-2012/index-eng.asp
[51] www.ec.gc.ca/dd-sd/default.asp?lang=En&n=C2844D2D-1